
HOUSE BILL No. 1049

DIGEST OF INTRODUCED BILL

Citations Affected: IC 24-5-24.

Synopsis: Account numbers on receipts. Prohibits the printing of: (1) more than the last four digits of a payment card number; or (2) the payment card expiration date; on any receipt electronically generated in a transaction in which a payment card is used to obtain certain property or services. Provides that the prohibition applies to a person that: (1) accepts payment cards for certain transactions; (2) provides processing software or hardware to enable a person to accept payment cards; or (3) owns or operates an automated teller machine. Specifies dates after which cash registers, automated teller machines, and other machines or devices that electronically print receipts must comply with the prohibition. Allows a cardholder who receives a receipt that displays prohibited information to file a complaint with the consumer protection division of the attorney general's office. Allows the division to file a civil action if the division determines that a violation has occurred. Allows the court hearing the matter to award certain relief.

Effective: Upon passage; July 1, 2007.

Crooks

January 8, 2007, read first time and referred to Committee on Commerce, Energy and Utilities.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1049

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 24-5-24 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2007]:

4 Chapter 24. Payment Card Transaction Receipts

5 Sec. 1. As used in this chapter, "cardholder" means a person
6 named on the face of a payment card to whom or for whose benefit
7 the payment card is issued.

8 Sec. 2. (a) As used in this chapter, "payment card" means a card
9 or device that:

10 (1) is issued to a cardholder; and

11 (2) allows the cardholder to obtain, purchase, or receive
12 money, goods, property, labor, services, or anything else of
13 value.

14 (b) The term includes a credit card, a debit card, a charge card,
15 a bank card, or another similar device.

16 Sec. 3. As used in this chapter, "person" means a natural
17 person, a limited liability company, a corporation, a business trust,

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an estate, a trust, a partnership, an association, a joint venture, a government, a governmental subdivision or agency, a nonprofit entity, or any other legal entity.

Sec. 4. (a) This section applies to a person that:

(1) accepts, as part of a point of sale transaction occurring in Indiana:

(A) a payment card; or

(B) information from a payment card;

in exchange for providing money, goods, property, labor, services, or anything else of value to a cardholder;

(2) enters into a contract for the purpose of providing a person described in subdivision (1) or another person the means of accepting a payment card in a transaction described in subdivision (1), including the provision of processing applications, point of sale terminals, or other necessary software or hardware; or

(3) owns or operates an automated teller machine (as defined in IC 28-15-1-2) or a similar unmanned terminal or device that:

(A) allows a cardholder to perform routine financial transactions; and

(B) is located in Indiana.

(b) This subsection does not apply to a transaction in which the sole means of recording a payment card number is by handwriting or by an imprint or a copy of the payment card. Subject to subsection (c), a person to whom this section applies may not allow:

(1) more than the last four (4) digits of the payment card account number; or

(2) the expiration date of the payment card;

to be printed on any electronically generated receipt in a transaction in which a payment card is used.

(c) Subsection (b) applies:

(1) to any transaction occurring after June 30, 2007, if the:

(A) cash register;

(B) automated teller machine; or

(C) other machine or device;

that electronically prints the receipt for the transaction is first put into use after June 30, 2007; and

(2) to any transaction occurring after December 31, 2007, if the:

(A) cash register;

(B) automated teller machine; or

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(C) other machine or device;
that electronically prints the receipt for the transaction is in
use before July 1, 2007.

Sec. 5. (a) As used in this section, "division" refers to the
consumer protection division of the office of the attorney general
created by IC 4-6-9-1.

(b) After June 30, 2007, a cardholder that receives a receipt
that:

(1) is produced by a device described in section 4(c) of this
chapter; and

(2) displays:

(A) more than the last four (4) digits of the payment card
account number;

(B) the expiration date of the payment card; or

(C) both items listed in clauses (A) and (B);

may file a complaint with the division not later than ninety (90)
days after the date the receipt was issued. The division shall
investigate a complaint received under this subsection to determine
whether a violation of section 4 of this chapter occurred. If a
complaint is filed under this subsection after June 30, 2007, but
before January 1, 2008, the division, in determining whether a
violation of section 4 of this chapter occurred, shall determine
when the device described in section 4(c) of this chapter was first
put into use.

(c) If, after an investigation conducted under subsection (b), the
division determines that a violation of section 4 of this chapter
occurred, the division may file an action on behalf of the state in a
circuit or superior court having jurisdiction. An action under this
subsection must be filed by the division not later than ninety (90)
days after the date the division receives the cardholder's complaint
under subsection (b). An action filed under this subsection shall be
heard promptly by the court without a jury, and either party may
present evidence at the hearing. If, after a hearing under this
subsection, the court determines that a violation of section 4 of this
chapter occurred, the court may award one (1) or more of the
following:

(1) An injunction to enjoin future violations of section 4 of this
chapter by any person:

(A) described in section 4(a) of this chapter; and

(B) determined by the court to be partly or wholly
responsible for the violation for which the action under
this subsection is brought.

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- (2) A civil penalty, accruing to the state, of not more than:
- (A) two hundred fifty dollars (\$250) for the first violation; and
 - (B) one thousand dollars (\$1,000) for each subsequent violation;
- found by the court. A civil penalty assessed by a court under this subdivision may be assessed against one (1) or more persons described in section 4(a) of this chapter, in an amount proportionate to the share of each person's responsibility for the violation as determined by the court.
- (3) The reasonable costs of the division's:
- (A) investigation under subsection (b); and
 - (B) action under this subsection.
- (4) If the person filing the complaint under subsection (b) suffers a pecuniary loss as a direct result of any violation of section 4 of this chapter, as determined by the court, damages to that person in an amount that does not exceed the greater of:
- (A) the person's actual loss; or
 - (B) five hundred dollars (\$500).

Damages awarded to a person under this subdivision have priority over any civil penalty imposed under subdivision (2). The court's judgment under this subsection is a final determination that may be appealed in the same manner as other civil actions.

Sec. 6. The consumer protection division of the office of the attorney general may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 2. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "division" refers to the consumer protection division of the office of the attorney general created by IC 4-6-9-1.

(b) Notwithstanding IC 24-5-24-6, as added by this act, the division shall adopt any rules to implement IC 24-5-24, as added by this act, in the same manner as emergency rules are adopted under IC 4-22-2-37.1. Any rule adopted under this SECTION must be adopted not later than June 1, 2007. A rule adopted under this SECTION expires on the earlier of:

- (1) the date the rule is adopted by the division under IC 4-22-2-24 through IC 4-22-2-36 to implement IC 24-5-24, as added by this act; or
- (2) July 1, 2008.

(c) This SECTION expires July 2, 2008.

SECTION 3. An emergency is declared for this act.

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